



THE STATE BUDGET AND EMPLOYEE COMPENSATION

Now that the FY2005-2006 Long Bill has been signed by the Governor and the Legislature has adjourned, the following summarizes the final compensation and benefit changes for the coming fiscal year starting July 1, 2005.

- A 3% salary increase for permanent state personnel system employees rated as satisfactory or above, subject to the maximum of their pay grades. Employees in Trooper classes will receive 5.2%, subject to the maximum of their pay grades.
- No additional performance pay awards.
- An increase in State contributions to health plans to 59.5% of prevailing effective 7/1/05. The final dental and life insurance contributions are also listed below.

Type Benefit	State Contribution
Health – Employee only	\$190.20
Health – Employee + spouse	\$333.96
Health – Employee + children	\$322.32
Health – Family	\$460.26
Dental – Employee only	\$14.90
Dental – Employee + spouse	\$18.38
Dental – Employee + children	\$19.78
Dental – Family	\$23.12
Life - \$33,000 benefit	\$4.68

The salary portion will also be implemented on July 1 in the following sequence per Director's Administrative Procedure 3-8. The procedure provides the order of salary actions that are effective on the same date.

- First, pay ranges will be adjusted by changing the minimum and maximum in accordance with the survey recommendations for each occupational group, i.e., ranges will be adjusted by the percentages shown below. Individual employee pay is not actually adjusted at this step. Instead, it keeps the pay structure comparable to the market.

Occupational Group	Movement
Enforcement & Protective Services	2.0%
Financial Services	2.9%
Health Care Services	3.9%
Medical Services	3.9%

Labor/Trades/Crafts	2.2%
Administrative Support & Related	1.7%
Professional Services	1.5%
Physical Sciences & Engineering	2.8%
Teacher	1.5%

- Salary lid values are adjusted by the final CPI increase that is very small this year (0.11%). The new salary lid values are: traditional lid is \$8619; SES is \$10,774; and Medical is \$11,623.
- Second, the 3% (or 5.2% for troopers) salary adjustment is applied to the base salary of all permanent employees rated as satisfactory or above, subject to the new grade maximum. Temporary employees will not be given this automatic salary increase.
- Third, any employees whose base salaries are still below a new minimum are brought up to the minimum.

The complete compensation plan will be available shortly and you will be notified separately. Questions should be directed to your department's budget officer or Don Fowler at don.fowler@state.co.us or **303-866-4250**.